

NICKEL

The war has only emphasized the importance of the Nickel question in Canada. It existed long prior to the war. But there was a failure on the part of those who were in power in Ontario to realize its vital character and to exercise any effective control. It will abundantly appear that it had been the subject of negotiation, correspondence and public criticism. One striking note of warning was sounded in Montreal over a year before the war began, when "Peace Sunday" was being celebrated on Sunday, May 13, 1913. There was no war in sight. We were celebrating our century of Peace with the Republic to the south of us. But it was the time of Germany's preparation. Rev. E. I. Hart was preaching a Peace Sermon in the Dominion Square Methodist Church, and the *Montreal Herald's* report contains this paragraph:—

"Rev. Mr. Hart thought it would be far more effective for Canada to prohibit the foreign export of nickel from her shores by Act of Parliament in bringing world's peace than to spend \$35,000,000 on three dreadnoughts; for the world's nickel came largely from Canada, and was used in armor plate."

His pregnant words should have been black-lettered in every journal in Canada, and posted in burning letters on every public place.

SIR ROBERT BORDEN KNEW

It is evident that the attention of Sir Robert Borden was early directed to the duty of Canada to refine its own nickel. In his correspondence with the International Nickel Company in December, 1915, when that Company was putting him off, he said, "I am not unmindful of the difficulties which you have explained to me on more than one occasion."

ONTARIO'S PREMIER KNEW

In 1914, the *Toronto World* had pointedly directed Hon. William Hearst's attention to his duty. This was after Mr. Ambrose Monell, the President of the International Nickel Company, had made public a statement on December 21, 1914, to the effect (1) that there was absolutely no European influence exerted in the conduct of the affairs of the Company; (2) that the Dominion authorities had been in possession of full information

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since the outbreak of the war; and (3), most important of all, that economic conditions seriously affecting the cost of production have dictated the present location of nickel refining, and, with the present state of the art, any material change in such economic conditions would react in a manner **most detrimental to the Canadian nickel industry!**

What was Sir William Hearst's answer? In reply to the *Toronto World*, he stated "that it fell entirely under the jurisdiction of the Federal Government. **Ontario had no control over the two companies in question**, and could not limit, even if it so desired, the export of nickel ore. He said, in addition, that the Ontario Government, as well as that at Ottawa, had abundant assurance that since the war had broken out not a pound of Ontario nickel had been exported either directly or indirectly to Germany. None of it had reached the enemy by any route." (*Toronto World*, Dec. 25, 1914.)

And Sir William Hearst did nothing.

The Opposition in the Ontario Legislature was not idle. Mr. N. W. Rowell, as Leader of the Liberal Opposition, obtained an order for a return of all correspondence between the British, Dominion and Provincial Governments, or any of them, relating to **the use of Ontario nickel by his Majesty's enemies in the present war**, the manufacture and export of nickel from Ontario, and cognate matters. That return was ordered February 22, 1915. For some reason it has never been presented to the House.

The short report of the debate (*Mail and Empire*, Feb. 23, 1915) upon that motion is quite significant. The assurance respecting the export of nickel was, Hon. Mr. Hearst said, "of the most satisfying character in every respect. There doesn't appear to be any manner of doubt that no nickel is now reaching or, since the commencement of the war, has reached our enemies." Of course, he took his assurance from the Dominion Government, as he could not get into direct touch with the Home Government or the Admiralty! But, note his assertion of a power which he has never attempted to use: "If this Government had the slightest suspicion that nickel is getting to our enemies, you can rest assured that action on the part of this House would be quickly taken," he declared amid applause. **What was the action that Mr. Hearst proposed to take, and why, in the face of the direct evidence that has been pressed upon him, has that action never been taken?**

THE LIBERAL POLICY IN 1916

In the session of 1916, the matter was the subject of considerable debate, in which Mr. Rowell and Mr. Sam Carter of South

Wellington took a leading part. A motion, which was moved by Mr. Sam Carter of South Wellington and seconded by Mr. Udney Richardson of East Wellington, was negatived. It read:—

“That in the opinion of this House the production and sale of nickel in this Province should be under Government control; and that negotiations should be at once entered into by the Government of this Province with the Government of the Dominion of Canada and the Government of the United Kingdom to secure united action to acquire the absolute control of the nickel mines and nickel product of the Province of Ontario.”

Another motion proposed by Mr. Carter in 1916, regretting the failure of the Government to demand and secure the taxes properly payable in Ontario, and calling upon the Government to require the payment of **“a tax upon the basis of the real profits made by the Company** as provided by the law of the Province,” was made as a want of confidence motion upon going into supply, and was **lost upon a division.**

CONTRAST THE DOMINION AND IMPERIAL POLICY

The importance of prohibiting the export of nickel and nickel ore from Canada was recognized when a Dominion order-in-council was passed under the provisions of the Customs Act, and published on October 30, 1914, providing that “The exportation from Canada of the following articles to all foreign ports in Europe and in the Mediterranean and Black Seas, with the exception of those of France, Russia (except the Baltic ports), Spain and Portugal is hereby prohibited:—

“Nickel and nickel ore.”

On the same day, penalties by fine of \$5,000 or imprisonment for 5 years or both were imposed upon those who traded with the enemy. But, with the knowledge that nickel and other metals were reaching Germany from the United States through Holland, no action was taken to prohibit this.

Contrast the regulations issued by the Canadian Government with those issued by the British Government.

On October 29, 1914, the Canadian Order prohibited the export from Canada of nickel and nickel ore to all foreign ports in Europe with certain exceptions, which latter **did not include the Netherlands, Sweden and Norway.** On November 10 of the same year, the King issued his Proclamation declaring that amongst other articles the exportation of nickel ore, nickel and ferro-nickel be prohibited to **all** destinations. Canada could export nickel to the United States, which in turn exported to the Netherlands and Sweden and Norway, whilst Great Britain was

herself prohibited from doing so. This enabled Germany to replenish its factories with nickel from Canada through the United States, which it could not obtain from England directly.

ONTARIO LIBERAL POLICY

In the South-West Toronto by-election campaign in August, 1916, nickel was the most prominent issue, when Mr. H. Hartley Dewart was elected.

The session of 1917 was notable for the discussion of the nickel question. Mr. Dewart's speeches reinforced the arguments of Mr. Rowell and of Mr. Carter, and his careful researches and investigation focussed public attention upon the question. The House divided no less than three times upon motions dealing with questions of nickel control, refining and proper taxation. The report of the dilatory Royal Commission was not brought down until the end of the session, and then only upon the most insistent pressure. Those who dared to probe this vital issue were charged with disloyalty and stirring up strife instead of "winning the war."

Early in the session, on February 21, 1917, Mr. Dewart moved an amendment seconded by Mr. Carter, to the motion in reply to the Address from the Throne, as follows:—

"That the following words be added to the motion: 'This House would respectfully represent to Your Honour that in view of the vital part which nickel plays in modern warfare, and of its great economic value, the refining of all nickel mined in this Province should be carried on wholly within the British Empire, and, so far as practicable, wholly within the Province, and as a step towards the Government control of the nickel industry this Province should own and operate a refining plant in which all the nickel matte mined in this Province should be refined.'"

This motion was rejected by a straight party vote.

THE RECOMMENDATIONS OF THE ROYAL COMMISSION IGNORED

Later in the session of 1917, after the Royal Nickel Commission had made its report, justifying, in point after point, the insister objections to the Cochrane-Hearst-Ferguson nickel-plated policy, the House was divided again, upon a motion to go into Committee of Supply.

Mr. Dewart (S.-W. Toronto) moved in amendment, seconded by Mr. Hurdman (West Ottawa):—"That all the words of the motion after the first word 'That' be stricken out, and the following substituted therefor:—

"In view of the finding of the Royal Ontario Nickel Com-

mission that any of the processes now in use for refining nickel could be successfully worked in Ontario, and that conditions and facilities are at least as good in this Province as in any other part of Canada, and there is reason to believe that the cost of refining in the International Nickel Company's new plant at Port Colborne will be less than at their existing works in New Jersey;

"And further referring to future wars, that if the United States were to decide she needed for her own use the nickel now being refined there from Canadian ore . . . the result might well be a shortage of nickel, while the need was at its height; and a shortness of nickel might be a weakness sufficient to determine the issue of the war;

"And in further view of the finding of the Commission that the nickel ore deposits in Ontario are much more extensive and offer better facilities for the production of the nickel at a low cost than do those of any other country, and that when normal peace conditions are fully restored, the demand will be greater than it was before the war;

"And in further view of the interest which the Government of the United Kingdom has taken in recent years in the Ontario nickel deposits, and of the financial interest they have recently acquired in one of our Canadian nickel companies;

"This House is of the opinion that negotiations should be at once entered into by the Government of this Province with the Governments of the United Kingdom and of the Dominion of Canada to secure united action to acquire the absolute control of the nickel mines and nickel product of the Province of Ontario; and that, in the meantime, the Government of Ontario should take proceedings to acquire, construct or otherwise secure the control of nickel refining plant in this Province where all nickel mined in this Province could be refined."

After a long debate, the amendment, having been put, was **lost on the following division**, which was, as before, on strictly party lines, Mr. Allan Studholme, the Labor member, voting with the Opposition:—

Yeas. Messrs.:—

Bowman	Evanturel	McDonald	Proudfoot
Carter	Grieve	Mageau	Racine
Davidson	Hay	Marshall	Richardson
Dewart	Hurdman	Parliament	Rovell
Ducharme	Lowe	Pinard	Studholme
Elliott			Wigle—22

Nays. Messrs.:—

Allan	Ecclestone	Hilliard	Mills
(Hamilton)	Edgar	Hook	Musgrove
Allan	Eilber	Irish	(Huron)
(Simcoe)	Ferguson	Jarvis	Musgrove
Bennewies	(Simcoe)	Lucas	(N. Falls)
Black	Ferguson	McCrea	Nixon
Brower	(Grenville)	McElroy	Owens
Calder	Gooderham	McFarlan	Pyne
Carew	Grant	McGarry	Rankin
Cargill	Hall	McKeown	Regan
Cooke	(Waterloo)	McPherson	Robb
Crawford	Hearst	Martyn	Sharpe
Dargavel	Henry	Mason	Sinclair
Devitt			Sulman—47

Pairs. None.

ONTARIO TAXES NOT COLLECTED

The report of the Royal Nickel Commission had also found that the taxation agreement, first entered into by the Hon. Frank Cochrane, and later renewed by Hon. W. H. Hearst, as Minister of Mines, was not based upon the method of taxation which should have been adopted, for which the Opposition had all along contended. A resolution condemning the illegal agreement and insisting upon the recovery of proper taxation was also rejected by the same vote. Later in the session the Government brought in a Bill to establish the very systems they had deliberately refused to adopt because of the insistence of the Company, which they had wrongly protected from paying its just taxes to the Province.

The House has been placed on record session after session. The International Nickel Company has proceeded with the erection of a refinery at Port Colborne. It has not adopted the electrolytic process recommended by the Commission's report. There is no information forthcoming in the Government's reports as to whether this refinery, promised in 1916, is doing any work even in 1919.

Under these conditions, now that the period of post-war reconstruction has been reached, it is important that those who were overseas should know the real merit of the policy to which the Liberal party is definitely committed. New light has been cast upon the subject, and added official evidence has developed. All this is dealt with in the recent masterly address at London of Mr. Hartley Dewart, the Liberal leader, which has been revised, and is now published with the foregoing explanatory notes, in response to a widespread demand for the address in convenient form.

ADDRESS

By MR. H. HARTLEY DEWART, K.C., M.P.P.,

at the Masonic Hall, London,

FRIDAY, AUGUST 22nd, 1919

Mr. R. G. Fisher, who presided, said he knew no man in provincial politics so well qualified to deal with the new issues confronting the people of the Province as Mr. Dewart. After an enthusiastic standing reception, Mr. Dewart said:

Mr. Chairman, ladies and gentlemen, I have to thank you for your all too kind reception. It is just three years ago last night that at the close of a hot August day I closed a rather hot campaign in South-West Toronto. The large issue then before the people was the failure of both Dominion and Provincial Governments to control and conserve our national resources, and particularly their failure so far as our vital nickel resources in Ontario were concerned. The people of South-West Toronto were good enough to return me as a member of the legislature, and to-night I am pleased to begin another year of service, and to have the privilege of addressing you as leader of His Majesty's loyal opposition in the Province of Ontario. At the time I have referred to, when we were discussing the nickel question as a vital issue, we were called slanderers and reckless demagogues.

Nickel Won in South-West Toronto.

But that was not the opinion of the electors of the loyal city of Toronto, and of some persons there who differ from my political views. The editor of the independent Conservative journal in Toronto remarked the morning following the election:—

"It was the nickel issue which most of all aroused the electorate. The result of the election was a triumph for British connection, for Canada's resources, for the Empire and her allies, and a defeat for the German enemy. The verdict would be heralded from one end of the Dominion to the other."

But as we had at that time a mixed condition of opinion in the Province, it was sought to turn the result of the election upon the temperance question rather than on the question we had been discussing—the failure of the two Governments to control the nickel supply. In this connection I intend to use to-night the testimony of a gentleman who spoke in this city of London on October 11, 1916, in the presence of his then chieftain,

Sir Wilfrid Laurier. (Applause.) The prominent politician, whose name has been on many lips recently, had then just returned from a survey of the battlefield—I am referring to Hon. N. W. Rowell—who said, as reported in the *Toronto Telegram*:—

“I had the opportunity during the past summer of ascertaining how vital a part nickel plays in modern warfare. There should be some effective Government control of the production and manufacture of nickel in the province. Mr. Dewart rendered very real service in focussing public attention upon this very important issue in the South-West Toronto campaign.”

War-Time Discussion—AND NOW.

Now, ladies and gentlemen, there are those who urged that this question should not be considered during the war's progress. So far as the Ontario Government was concerned, it was said that they had no power, but that all had been done that was necessary to control the situation. If that was true, we must surely be permitted now, when the war is over, to take as far as we are able, an impartial survey of the question, and see whether, in the condition of affairs that we find to-day, the defence they made when we were discussing this question in war-time has been borne out. This nickel issue is still an issue of paramount importance. The returned soldiers must know the position taken by the Liberal party upon this matter; they must know that so far as the Liberal party is concerned with this and other issues, it is prepared to vindicate the position it has taken, and is prepared to carry out its policy in the interests of the loyal people of Ontario. (Applause.)

Let me for a moment call your attention to the value of nickel, the important uses to which it is put; to point out that it is so vital a resource for Canada and for the Empire that it never should have been allowed to go into hands that could turn it to an improper use, even to employ it against civilization. We Liberals are to-day endeavoring to frame wise counsels for Canada, in the interests of the Empire and of a world peace. **Our policy is to make Canada not only the best country in the world to live in, but to make her a permanent ally of civilization.** (Applause.)

Surely it is our duty, then, to see that **never again should such a powerful weapon as our nickel resources in the Sudbury district be allowed to reach the hands of any possible enemy; to see that never again should this sacred trust committed by Providence to this Province of Ontario be misused against the dearest interests, not only of the**

Province, the Dominion and the Empire—even against the very laws of civilization throughout the world.

Let us look at the position in which we stand. Ontario is blessed with natural resources of nickel from which the world draws 85 per cent. of the total supply. There is just one other country, New Caledonia, a French penal colony, from which any important supply comes; and then there is the almost negligible quantity obtained as a by-product from copper refined in the United States from American ores. The value and uses of nickel are known to you as far as they concern the question of armaments of the nations, which must have nickel plate to give the required qualities in the armor of warships that made Great Britain's navy the bulwark of civilization during the war. (Applause.) Not only the armament of vessels. Nickel enters into every other class of armament; into every shell and bullet fired by every class of rifle used by the nations of the world.

If Ontario is to do its full duty as the possessor of this great natural resource towards the civilized nations of the world, we can only do that duty by preserving and conserving our nickel.

Nickel for Rifle Bullets.

It will help you to realize the use of nickel in warfare to think that the envelope put around each bullet that gives it carrying power, strengthening it up to requirements, is supplied in the proportion of 1,600,000 envelopes to one ton of refined nickel. When you think of that you will realize that so far as Germany was concerned before the war it was vital for her to control the nickel supply. I will show you presently how Germany received her supplies of nickel, while the world's natural resources were almost wholly possessed, but not controlled, by Ontario. When war conditions exist, so far as the other nations of the world are concerned, they are absolutely dependent on Canada for their nickel supply. At the outset, then, Canada's duty is to preserve and conserve this vital resource.

The Issue Acute in 1916.

You all remember in 1916 this issue had become acute, because Germany's need was great and urgent. During the immediate years before the war Germany had imported great quantities of our nickel. But let us see what took place in 1916. At that time the United States was a neutral nation, and continued to be so until April of 1917. You will remember how the world was startled by the fact that a submarine had been constructed of such large measurement that she was a vessel of mercantile class.

That vessel reached the United States from Germany to take on a cargo of the precious nickel that was required by Germany. The minds of all people were stirred by **the mission of the Deutschland**, and particularly in our country, because so far as nickel was concerned Canada was the only country in the world that could supply it. The Deutschland made two trips. There was another vessel, the Bremen, which made one trip, her last. She was never heard of again, because she was intercepted. Anyway, the Deutschland came to this side in July, 1916, and on August 1 sailed from Baltimore, and according to the United States returns, as subsequently disclosed by the official returns for the month of July, she carried—because she was the only vessel sailing from the United States to Germany—752,674 pounds or 376 tons of refined nickel to Germany. She returned in November upon her second trip, and the United States returns for November account for 360 tons of nickel, which are included in "other countries."

Those two cargoes of nickel were mined in Canada, and John R. Rathom, the editor of the *Providence Journal* exposed the agency by which that Canadian nickel reached the Deutschland. He traced it step by step from its purchase from the International Nickel Company, in 1914, till it reached the vessel, and was taken by her in August and November, 1916, to Germany.

This is what the *Providence Journal* of November 11, 1916, said:—

"All the nickel aboard the Deutschland is part of a large consignment which was purchased in November, 1914, from the International Nickel Company at Communipaw, New Jersey. The *Journal* discovers that this consignment was taken by the purchasers, ostensibly German-Americans, but really men acting for Dr. Heinrich Albert, fiscal agent of the German Government in this country, and transported to the warehouses of the Nassau Smelting and Refining Company, foot of West 29th Street, North River, New York."

Cargo Traced Point by Point.

From point to point Mr. Rathom traced that nickel, gave every particular and detail, the origin, progress, storage and final shipment on the Deutschland—nine carloads of 60 tons each, nickel from the Canada Copper Company at Sudbury, Ontario! And, now, ladies and gentlemen, what I desire to emphasize is that the denials of Mr. Rathom's statements at that time, in the light of what has occurred since, are shown to have been absolutely erroneous, that these statements in denial were made without any facts upon which they were supposed to be based.

Mr. Rathom was able to show all his facts, and demonstrated that it was International nickel. And by whom were the denials made? Sir Robert Borden said in his judgment Mr. Rathom's statements were incorrect; but he would make an immediate inquiry. **If he made an immediate inquiry, it is not clear that he did; for from that day till this there is no record of any further statement from him in behalf of the International Nickel Company.** Let us look a little further. Premier Hearst said he did not believe it. Mr. Meighen and Mr. Kemp came to the conclusion that the size of the Deutschland by careful calculations, showed she could not hold more than 75 tons. Mr. Rathom made a positive statement; but they made estimates based on an imaginary construction of the vessel.

Hon. Mr. Meighen's Unsupported Denial.

Mr. Meighen said something further. He discussed the matter at length in Toronto on November 23, 1916, in these words:—

"I do not think that reasonable men expect me to give the details of the working out of the system of supervision, and all that it involves. May I go as far as to say that the Government of Great Britain, through its Committee on enemy's supplies, at the head of which sits Sir Francis Hopwood, are by themselves and by our agents in daily, weekly and monthly control of all the output of the International Nickel Company in so far as that output goes overseas or goes into plants within the United States. They are in a position to decide what firm should be permitted to purchase in that country, because they are the buyers of munitions from the United States in colossal proportions. They are in a position to know who, in the interests of all, it is best should receive supplies and who it is best not. And working with them, they exercising that supervision with us, I am in a position to say, and at the proper time in a position to prove, that not a pound of nickel goes from that company to a plant in the United States, not a pound passes from it to a boat on the water **save with the approval of the Admiralty and of the British Government.**"

Those were strong words. Putting his case in that way one would expect they had absolute authority. But notice particularly that in 1916, while the United States was neutral, Mr. Meighen was relying upon the Admiralty, upon British, and not Canadian control.

Howard Ferguson's Worthless Denial.

And the same was said in South-West Toronto in August, 1916, by Hon. Howard Ferguson:—

We know just how much nickel was on the Deutschland, just where it came from, and that it never came from the International Nickel Company.

Well, ladies and gentlemen, it is a curious fact that knowing how much nickel was on the Deutschland, and where it came from and being able to say it did not come from the International Nickel Company, **Hon. Howard Ferguson has never taken the people into his confidence and has kept the information as to where that nickel did come from locked up in his own bosom.** In December, 1916, he made a challenge to me. At Mimico he said:—

"I challenge him to prove that the International Nickel Company has sold a pound of nickel that **could** reach Germany to be used by her in this war."

Not only has it been proved that it **could** reach Germany but the official United States returns for July, 1916 specify 752,674 pounds, or 376 tons, of refined nickel as **actually exported directly to Germany.** And it is traced in November to the German-agencied International Nickel Company, point by point. Of course, Mr. Ferguson did not know when he spoke what the records would show. But this is only one of his reckless denials. He had heard from Mr. Meighen that the Admiralty had control. That was enough for him.

Then we had a cable from Hon. Bonar Law, received and produced at this critical juncture in the Minister's denials. It was flourished by Hon. Mr. McGarry in the House. But I refused to be satisfied unless I saw the cable of distress, the S.O.S. that had been sent to Bonar Law. They have never exhibited this, but banked upon Bonar Law's cable of November, 1916, as follows:

"His Majesty's Government has approved of the **arrangements made by your Government** for refined nickel to American plants."

But mark the difference. They were relying upon the Admiralty. Bonar Law relies upon **our** arrangements. The stories do not hang together. What were **our** arrangements, however? Canada sent a young gentleman from Mr. Cochrane's railway department down to New York. They had Major Graham Bell, an accountant in the railway department at Ottawa, who appears to have consulted with the International Nickel Company "**with their friendly consent.**" By the "friendly consent" of the International Nickel Company he was able to ascertain and to speak with reference to the facts! Now was there ever such a contradictory statement? He was able to obtain the facts by the "friendly consent" of the nickel corporation at a time when the

United States was a neutral nation. But they were not able to enforce anything by which Great Britain and her allies could, from this alien corporation, ascertain the facts. We were relying upon the Admiralty. The Admiralty was relying on us. They were leaning upon a broken reed when they had to accept the investigation of Mr. Bell "with the friendly consent" of the Company whose selling agent was part of the German machine that had the world in its grip. And this was in 1916, when the United States was not yet our ally, and had no control over its own alien enemies.

No Denial From Company.

If we go a little further we shall find that to the present day there never has been a denial in behalf of the International Nickel Company of Mr. Rathom's specific statements, much less any offer to produce its books for inspection. Yet we have been abused for daring to say that through this corporation Canadian nickel had been traced point by point from Canada to Germany, and told it was not loyal to attempt to make matters right while the war was still on, while members of the Government could make denials with no better authority than I have recited to you.

In the Ontario legislature, not only members of the government, but member after member of the house, accused us of disloyalty, and had the courtesy to say that the only reason that could be advanced was that Mr. Rowell and myself had not the interests of the country at heart. Indeed, the suggestion came from Sir William Hearst himself, speaking at Collingwood, with a delicacy of taste and refinement of feeling that is characteristic, that Mr. Rowell had no boy old enough to go and fight, and I had never known the joys of fatherhood, therefore we were not really concerned with harrowing the feelings of those who had sons and brothers who were fighting. That was a most contemptible suggestion; but I will ask you to judge who were the patriots and who disloyal, those who were trying to remedy the intolerable conditions then known to exist, or those who denied that any evil existed or needed remedying, when the remedy was one they had failed and refused to apply. Why was the "action" that he had so patly promised in February, 1915 "would be quickly taken," not taken then? Or since then? Or even now? The tentacles of the German metal octopus had a long reach. Even Ontario and Sudbury were in their grip.

The Agent-General of Ontario Gives Evidence.

I shall not even repeat my own assertions, or those of Colonel Currie of Simcoe in the House of Commons. Let me call the

former Agent-General of Ontario at London, England. He surely was an impartial witness regarding those statements I have presented to you. The Province of Ontario had in London at that time a Conservative as Agent-General, since dead. On March 14, 1916, this gentleman, Richard Reid, spoke out upon an occasion when Ben. H. Morgan, an imperial authority, addressed the Royal Colonial Institute in London, on the necessity for a common imperial economic policy. Mr. Reid's remarks are reported in the Journal of the Royal Colonial Institute as follows:—

"Eighty per cent. of the nickel of the world is produced in the Province of Ontario, and if British capital had been utilized for the development of the nickel industry of Canada, **would that valuable material have found its way by a circuitous route to Krupps, there to be manufactured into bullets to mow down British soldiers?** When that metal was first discovered, the Ontario Government brought the matter to the attention of the Imperial Government, urging that some day the metal might be of immense value to them. There it is, we said, take it, make sure it remains in the possession of Britain. The authorities here strongly objected to take any interest whatever, and only since the war revealed the vital importance of this metal has the gravity of the mistake been fully realized. **They have now taken such an interest as to ask us in Canada to introduce legislation to prevent in some way that valuable metal getting into the hands of the enemy.** That request, however, was not necessary, as immediately after the outbreak of the war we took steps to prevent the nickel finding its way to Germany. A commission was appointed having on its board representatives of Canada and of Great Britain. This commission meets in a few days in this city (London), and no doubt satisfactory measures will be adopted for the retention of the nickel supply of Canada within the Empire."

There it is stated by the Agent-General of this Hearst Government, before an imperialist gathering in London, that the step taken to prevent the nickel finding its way into Germany was the appointment of the Royal Nickel Commission. The British Government asked for a law that would keep our Canadian nickel from reaching the enemy to "mow down British soldiers." And the Province of Ontario appointed a Commission to investigate. But when this palliative commission did report, it recommended the policy of the Liberal party to the Hearst Government and pressed upon that Government at long last to do its duty.

Cites the Attorney-General of the U.S.

I have got other authorities to show that the view we took was imperative and right. The United States did not enter the war till the month of April, 1917. At the time we were discussing this question in the legislature the United States was still a neutral nation. But the moment the United States entered the war, A. Mitchell Palmer was appointed custodian of alien property. He is now Attorney-General of the United States. He ascertained the conditions existing in the United States, and we have his statement as to what he discovered about this matter. In July, 1919, he said:—

“But what more nearly touches us is the fact that the flow of war metals from the United States to Germany continued during the first three years of the war almost unabated. The metals actually got to Germany notwithstanding our belief to the contrary.”

Speaking of Beer, Sondheimer & Co. and L. Vogelstein & Co., two of the disguised American agents of the great German metal trust, the New York Times said:—

In spite of the efforts of the British blockade to prevent metals from entering Germany, and in spite of the agreements with neutral countries pledging them not to allow metals consigned to them to get into Germany, the alien property custodian found that these firms had done an immense and increasing business since the war began in 1914, and had made enormous profits up to the time the United States entered the war.

That is the statement we get from the best authority available, the alien custodian of the United States. I ask you, then, how is the word of the Hon. Howard Ferguson to be regarded? What are we to think of the special pleading of Sir William Hearst and Sir Edward Kemp, what of the specious arguments and statements of Mr. Meighen, when we have the positive declaration of the alien custodian of the United States, now the Attorney-General of that country, that he had come to actual knowledge of the fact that these metals were going into Germany? What reliance can be placed upon the “friendly consent” of an alien corporation which satisfied the supine agents of Dominion and Provincial Governments?

What must you say to our demand, to the policy of the Liberal party, that nickel refined in the United States should be refined here. (Applause.)

Positive Proof from British Government Now.

During the war it was impossible to learn the real facts which have only partially come to light as yet. But even the fuller knowledge that we have shows that the position we took was right. A little time ago a question was raised in the British House of Commons by General Croft, which the *Toronto World* has reproduced from the *London Times* of May 15, 1919:—

Dr. McNamara, Secretary of the Admiralty, informed Brigadier-General Croft, M.P. (Bournemouth) that information was not available as regards seizures placed in British prize courts overseas or seizures by our allies, but it had been ascertained from the Admiralty marshal that **nickel was seized on board twelve ships and put in the London prize court.** Of these twelve cargoes, **eleven came from New York** and one from New Caledonia, and as regards destination five of these cargoes were intended for Dutch ports six for Swedish ports and one for Antwerp.

Now, ladies and gentlemen, I ask you to consider this statement in face of the **denial of Mr. Hearst, Mr. Kemp, and Mr. Meighen, and of the denial of Hon. Howard Ferguson, Minister of Mines for Ontario, that not one pound of nickel passed to any boat on the water except with the knowledge of the British Admiralty.** Do you realize what it means? It is the admission of the British Admiralty itself that while relying upon our supervision in Canada of shipments of our nickel from Canada, yet that of twelve ships actually seized with nickel, eleven came from New York; and that could only have been our nickel, and it must have been going to Antwerp, Holland and Sweden for Germany from the refinery of the International Nickel Company at New Jersey. Eleven cargoes were captured. How many more cargoes got through the blockade and reached the German munition plants and Krupp's gun works? We may never know. But we have this added information, direct and official, of the British Government to the declaration of the alien property commissioner of the United States that there was a leakage, that the leakage came through the United States, and **it was our nickel that should have been refined in Canada, where it could have been controlled, and not controlled by a foreign and German-managed corporation in a country which but for the providence of God might have been our enemy in the war.** (Applause.)

This nickel should always have been refined in Canada. It should have been refined right here in the Province of Ontario.

A Contrast in Treatment.

I will show you that where the International Nickel Company is not concerned Hon. Howard Ferguson so strongly insists that nickel shall be refined in this province that he threatened drastic measures against a British company that located its refinery at Hull, across the Ottawa River. The International Nickel Company had the protection and approval of this Government in every objection it made to refining its nickel in Canada. Do you realize what it would mean to Ontario if the plants of that company and its five subsidiary companies were in Canada? These industries with their great machinery and pay lists of their employees, all that money could have been spent in Ontario instead of Bayonne or Communipaw, New Jersey. (Applause). It was our demand and the policy of the Liberal party from the first that these vital industries should be retained in Canada under the British flag. (Applause.) It is interesting to look into the history of these companies.

History of the Canadian Copper Co.

When the Canadian Copper Company was first started it had an incorporation in Ohio, but it became necessary to have a charter in Canada and in Ontario to enable it to do business here. At that time there were other men in control of our provincial business—the late Hon. Arthur Sturgis Hardy and Hon. Oliver Mowat. Hon. A. S. Hardy was not anxious to give away the property of our country to a group of financiers from the United States.

The company went to Ottawa for a charter to enable it to do business in Canada. That was in 1886. Clause two of the special act it obtained from the Dominion Parliament reads:—

“The company shall have full power to sell the produce of their mines in any part of Canada or elsewhere, and to establish treating or smelting works **in any Province of Canada** as, in the interests of the company, may be found expedient.”

Foreign Refining Not Allowed.

The inference is that the distinction between the powers asked for and the powers granted was deliberate, and that is confirmed by the proceedings in the private bills committee. What happened after that? When Hon. A. S. Hardy was Minister of Mines he felt the importance of the development of the nickel ore of Sudbury, and put himself in communication with the British Government that Britain might have the benefit of it.

That was true wisdom. Lord Knutsford was then Secretary for the Colonies, and it was before him the proposal was laid that the British Empire should control the nickel ores of Canada for the armor of the fleet. The British administration did not then appreciate the importance of the proposal. In 1899 the suggestion was renewed on the part of the Liberal Government of Ontario, and was again rejected by the British Admiralty.

International Nickel Co. Appears.

In 1902 the International Nickel Company was formed. The matter was again pressed upon Downing Street by the Liberal Government of Ontario, in May of 1904, and was not considered favorably. Later, in 1904, an inquiry came, this time from the Admiralty, which was not replied to until January of 1906. A Conservative Government had come into power in 1905. Then we have presented the significant contrast between the policy of the Liberal party for British control of this vital resource and the policy of protection of the International Nickel Company which was going ahead refining in the United States. Hon. Frank Cochrane came into charge of the Department of Lands, Forests and Mines in the government of Sir James Whitney. The contrast is set out plainly on pages 67 and 68 of the report of the Royal Nickel Commission:—

“From this time forward (1902) the Canadian Copper Company is a subsidiary of the new company, i.e., International Nickel Company. All the properties in Ontario, other than the water power plant and accessories, continue to be held in its name, and it conducts all mining and smelting operations up to the production of high-grade bessemer matte. The refining is done exclusively at the Orford works at Constable Hook in New Jersey. It is deplorable that the new arrangements did not provide for refining in Canada. The acquisition of refining works in the United States, and of properties in New Caledonia, was tantamount to a declaration to the Ontario Government that the new corporation did not intend to abide by the undertaking and reiterated promises of its predecessor, the Canadian Copper Company, that the product from Ontario ores would be refined in Canada, and it is unfortunate that the challenge was not accepted. The enterprise and achievements of the company have not been received with the pride and satisfaction the people of the Province would have taken in a successful Canadian industry that had kept its faith and produced refined nickel within the Province.”

Owned Canadian Copper Co.

That, coming from the commission appointed by the Ontario Government, is, in my judgment, striking justification of our position and of the position the Liberal Government had taken towards the Canadian Copper Company. (Applause.) It shows that under the Government, in which Hon. Frank Cochrane was Minister of Mines, the International Nickel Company had the ability to control the situation.

On page 71 of the commission report, this is shown even more clearly:—

“As already stated, the International Nickel Company now owns all the shares of the Canadian Copper Company. The shareholders of the consolidated company received little encouragement for the first years of its activities. The company passed its dividends even on the preferred shares, which were not cumulative until the fiscal year ending March 31, 1906, during which 3 per cent. was paid, and no dividends were paid on the common stock until the eighth year of operation, in 1910, when a dividend of 5½ per cent. was paid. In June, 1910, however, the common stock was increased by the issue of \$2,670,000, which was issued at par to both preferred and common shareholders to the extent of 15 per cent. of their holdings, following a 25 per cent. cash dividend on the common stock. A further dividend of 7 per cent. in 1911 made a total of 32 per cent. on the common shares for that fiscal year.”

The Nickel-Plated Minister.

The development of the International Nickel Company in the United States, refining there instead of in Ontario the ores of Ontario mined at Sudbury, is coincident with the accession to power of Hon. Frank Cochrane, its friend, associate, and sponsor in Ontario. Unlike Hardy, who asked for British action, he was asked for Canadian action, but it was not in the interest of his nickel masters and he did not move. In 1907, we have presented the full contrast between his policy and the policy of Hon. Mr. Hardy and the Liberal Government.

I will read to you two letters that were exchanged between Dr. Eugene Haanel, Superintendent of Mines at Ottawa, and Hon. Frank Cochrane, Minister of Lands, Forests and Mines, in Toronto.

Admiralty at Last Gets Busy.

The offers made by Hon. A. S. Hardy to the Imperial Government had then at last impressed the Imperial authorities, who

now sought to do something that might prevent our nickel from going to an enemy in time of national emergency. Mr Cochrane put aside the request, on the ground that the Province had not the authority to do what was requested, though he knew quite well that Mr. Hardy had brought the lumbermen of the United States to their knees. Mr. Cochrane did not even ask the Government of Canada to act or to give him the power to act, if he thought he could not act himself. He did not want to act. In 1907, an important emergency in national and imperial issues was already foreseen when these letters were written:—

Department of the Interior, Mines Branch.

Canada, Ottawa, Feb, 4, 1907.

Sir,—I have the honour to submit for your consideration and decision a request made by my lords commissioners of the Admiralty for information:—

First, as to the powers possessed by the Ontario Government, by which the exportation of nickel ore or matte from Canada to foreign countries could be prohibited in time of national emergency.

Second, as to the present position of affairs in Canada in regard to keeping nickel-bearing land in British hands.

Lord Elgin, by whom this request of my lords commissioners of the Admiralty is forwarded to Lord Grey, desires an early reply.

I have the honour to be, Sir, your obedient servant,

EUGENE HAANEL,

Superintendent of Mines.

Hon. F. Cochrane,

Minister of Lands, Forests and Mines.

Frank Cochrane Says No Power.

Toronto, March 8, 1907

Sir,—I beg to acknowledge receipt of your letter of the 4th inst. forwarding request made by the lords commissioners of the Admiralty for information (1st) as to the powers possessed by the Ontario Government by which the exportation of nickel ore or matte from Canada to foreign countries could be prohibited in time of national emergency, and (2nd) as to the present position of affairs in Canada in regard to keeping nickel-bearing land in British hands.

I suppose these enquiries arise out of previous correspondence from the lords commissioners of the Admiralty, which was answered by a despatch covering an order-in-council dated 29th December, 1905, and accompanying memorandum.

As to question one, I am advised that the Ontario Government and Ontario legislature has **no power** to prevent the exportation of nickel ore or nickel matte to foreign countries **either in time of national emergency or otherwise**.

As to the present ownership of nickel lands in Canada, with reference to the nationality of the owners, the situation does not differ in any material respect from that which was set out in the memorandum accompanying the order-in-council above mentioned. **The most important nickel mines producing the bulk of the nickel ore raised in Canada are owned by the Canadian Copper Co., which is the Canadian branch of the International Nickel Co., an American company.** The Mond Nickel Company, which is a British concern, is carrying on business at Victoria mines and producing a considerable quantity of nickel matte, but its content is much less than that of the Canadian Copper Co.

There are still some nickel lands in the southern range and a considerable proportion of the properties in the northern range, which are owned by British subjects resident in Canada. These, however, are not in operation, being for the most part undeveloped.

I have the honor, etc.,

F. COCHRANE.

Dr. Eugene Haanel.

P.S.—I enclose herewith a copy of memorandum referred to in the order-in-council of 29th December, 1905. As you will see, it is marked "confidential," and should be so treated.

Admiralty is Side-Trackd.

The Admiralty made an enquiry in July, 1904, which was not replied to till January, 1906, because Hon. Frank Cochrane was in charge, and in his report of December, 1905, he says "it is doubtful whether any substantial result can be obtained." What does it mean? **It means that, the national emergency being anticipated by the Admiralty, Frank Cochrane did nothing at a time when, if he had done something, it might have prevented our nickel going to the enemy when the emergency was upon us, as well as before the emergency arrived.** (Applause.)

Consider for a moment the progress and development of the International Nickel Company from 1907 when Mr. Cochrane said that "Ontario had no power," down to the period of the War. Mr. Cochrane knew that the Dominion Government had

power, even if he thought his powers in Ontario were doubtful. He became a member of that Dominion Government in 1911. He has had power to deal with this matter, and to use his great influence from that time down to the present, but he has done nothing. The Nickel Trust has been his master, just as he has been the forceful master of the Ontario Government both before and since his entry into the wider sphere of Dominion politics.

CONTROL IN THE UNITED STATES

Realize if you will what has happened to the International Nickel Company in the United States. This industry, which we should have controlled in Canada, in the Province of Ontario, had reached a capital in 1919 of \$53,834,600. It holds an acreage in the Sudbury district in fee simple of 19,615 acres; jointly with others, 1,083 acres; with surface and occupation rights of 3,880 acres; or a total of 24,578 acres in the Sudbury district alone. It controls undeveloped lands elsewhere in Ontario amounting to 72,840 acres. As Mr. George Wilkie said in his striking article in the *Canadian Magazine* for August, 1916, "The nickel ore is part of the very soil of Canada. It is torn from the Canadian rock, raised to the surface in Canada, for that is inevitable, but the moment it has been detached, the ore is out of the control of Canada and Canadians and is sent out of her borders, having contributed to Canada the privilege and profit of operating the boarding-house at which the miners live while blasting and raising the ore."

What is the secret of the power that the International Nickel magnates have? They have been making large profits—their net profits have ranged from over \$3,000,000 in 1911 to as high as \$12,000,000 in 1918, after paying cash dividends and stock dividends of 25% and 10% on two different occasions, and spending over \$5,000,000 on a refinery at Port Colborne. The cash resources of the Company on December 31, 1918, amounted to \$7,200,000. **This Company pays well, and can afford to pay well.** Consider again the volume of the business that this Company is doing in the United States with our Nickel. The imports of nickel matte into the United States from Canada ranged from 24,000 tons in 1911 to 35,000 tons in 1916. The exports of refined nickel from the United States to Germany from 1905 to 1908 were 1,916,295 pounds; to the Netherlands (the Canal route to Germany) from 1905 to 1915, 51,988,426 pounds—a total of 54,000,000 pounds, or 27,000 tons of refined nickel. Germany is included in the United States returns under "Other countries than Great Britain and France," from 1909 to 1915, to which were exported 45,107,761 pounds, or 22,500 tons of refined nickel—an approximate total of 50,000 tons of refined nickel, practically our Canadian nickel, over which we had no control.

GERMAN-AMERICAN SHAREHOLDERS

I was able to give to the Legislature the names of the shareholders of the International Nickel Company, a copy of which Mr. Howard Ferguson professed to have in 1916, but which he has very wisely never made public. Large blocks of the stock were held by voting trustees—Delamar and others, whose foreign complications are now well understood. A perusal of the names of the German-American shareholders who controlled the business of refining our Canadian nickel is very interesting. It would be more interesting if we knew some of the details about them which the Alien Property Custodian in the United States could tell if his mouth was unsealed.*

German Holders for Krupps?

These German-American shareholders of the International Nickel Company were all the time simply holders for Krupps,

*The list of shareholders as they appeared in 1917 included the following names as pointed out by Mr. Dewart to the Legislature in his address, April, 1917:—

Preference Stock.—W. J. Aitkan, New York, 100 shares; A. M. Archbold (Standard Oil), New York, 300; Jno. D. Archbold (Standard Oil), New York, 1,200; Chas. Y. Audenried, Philadelphia, 100.

Voting Trustees (54,409).—Dominick & Dominick, 200; M. W. Emmons, 50; H. S. Ladew, 350; C. A. Gunther, 100; Hallgarten & Co., bankers, 50; Heidelberg & Ickelheimer, bankers, 750; Herzog & Glazier, brokers, 270; J. B. Hoefgen, 220; Kissell, Kinnicutt & Co., 138; E. Leeissner, 100; E. T. Mealis, 200; C. Ogas Nagal, 50—all of New York. E. C. Reichenbach, 195; F. Reichenbach, 27; S. Reichenbach, 30—all of Australia. R. Reussner, 400; Scheferm, Schramm & Vogel, 100—New York; S. W. Shiras, St. Louis, 35; R. F. Staabs, 100; Hiram Steele, 100; Nira H. Stein, 200; W. V. Strauss, 40—New York. Irene R. Strauss, Illinois, 50; F. E. Winaubs, 25; G. E. Winaubs, 25; H. M. Winaubs, 100—New Jersey.

Common Stock—Fritz Achelis (president American Hard Rubber Co.), 100 shares; Seigmund Alder (Manager American Metal Co.), 50; Frank Albschul, banker, 170; Asiel & Company, New York, 950; Chas. Y. Audenreid, Philadelphia, 140; Jules S. Bache, 150; J. S. Bache & Co., brokers, 1,199; Baruch Bros., brokers, 340; Geo. Blumenthal, 8,807; W. H. Cohen, New York, 450; Converse Estate Voting Trustees, 307,486; E. M. Erland, New Jersey, 308; B. W. Ladew, 153; A. Friedman, New York, 100; G. Hahn, 2,462; Halle & Stieglitz, 100; Heidelberg, Ickelheimer & Co., 300; Herzog & Glazier, 100; J. B. Hoefgen, 800; Jacobi & Co., 100; A. Jaretski, 525; E. A. Keck, 150; W. N. Keck, New York, 200; I. H. Keech, St. Louis, 75; Keech, Loew & Co., 100; Kissell, Kinnicutt & Co., 1,494; R. Mainzer, 50; E. B. Mealis, 75; F. Mein, 50; H. Meyer, New York, 50; E. E. Reichenbach, 128; B. Reichenbach, 14; S. Reichenbach, Australia, 13; R. Reussner, 175; Rothschild & Company, 50; L. Salzer, New York, 275; C. J. Schmidlaff, New York, 150; S. W. Shiras, St. Louis, 75; Ben Stern, 735; F. V. Strauss, 180; B. Strang, 175; G. Ulbricht, 77; E. Wachenheim, 587; I. S. Weil, 146; M. M. Winants, 131; F. Wolf, 500; A. M. Archbold (Standard Oil), 131; J. S. Archbold (Standard Oil), New York, 1,994.

Common—Hon. W. J. Hanna, (Provincial Secretary) 885; Hon. Wallace Nesbitt, 1,000 preferred, 891 Common.

The International Nickel Company

GENERAL OFFICES: WALL STREET EXCHANGE BUILDING
43 EXCHANGE PLACE

F. S. JORDAN,
GENERAL MANAGER OF SALES

New York

November 8, 1916.

No. 9.

The Iron & Metal Supply Company,
409 Power Building,
Montreal, Canada.

Gentlemen:

Answering your letter of the 7th instant;

Messrs. Henry R. Merton & Company, Limited, Leadenhall Avenue.

London E. C. England, are still acting as our agents in the sale of
Metallic Nickel for export.

Very truly yours,

F. S. Jordan
GENERAL MANAGER OF SALES.

FSJ/B

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or for interests controlled by the Mertons or others who represented the German Metal Trust. They were in the United States, but we could have done something here, and nothing was done. Can you question that something should have been done? Do you doubt it when August Hecksher, director of the Nipissing mines, a shareholder in the International Nickel Company, gave \$10,000 to the sailors of the German submarine Deutschland that carried our nickel purchased from the International Nickel Company to Germany? (Applause.) There never was a suggestion that the Ontario property of this alien should have been taken away from him. Why not? The Hun was within the citadel, not merely at the gate. **I claim that the International Nickel Company, by reason of the failure of the Ontario Government to take hold of this matter, was enabled to do the business it did do in the interest of Germany.** (Applause.)

I lay a still stronger charge when I contrast the failure of our Government with the action of Premier Hughes of Australia, who realized that Germany had created an octopus that had spread its tentacles all over the world. There were German agents everywhere.

Merton Agents for Nickel.

It was shown that the German firm of Henry R. Merton & Co., London, German agents, was still doing business in November, 1916, as the sole selling agents for the sale of the metallic nickel of the International Nickel Company. I give you the letter received in reply to an enquiry made at my personal instance.

It was also shown that the majority of shareholders in that Company were Germans; that the Company was acting for the Metallgesellschaft of Frankfurt-on-the-Main; that the Company was convicted in England and heavily fined. How was this Company purged of its iniquity? Why, the German names of its naturalized shareholders were changed to English names: Langebach became Lang, and Schwartz, Stanton. (Laughter.) These shareholders, if they did not change their former character, at least changed their German names, but did not purge their iniquities. The control of the Merton stock passed not into English hands, but into English names! (Laughter.)

But leading men of England condemned this looseness in dealing with naturalized aliens. Premier Hughes in Australia, where the Germans had also got control of the zinc and lead mines, drove the aliens out. Later, the bill for the control of non-ferrous metals was introduced in England. (Applause.) **What Premier Hughes did in Australia, Frank Cochrane**

and William Howard Hearst could have done in Ontario, where we still have no effective restrictions upon refined nickel.

THE LIBERAL POLICY

The failure to impose effective restrictions in this matter we have to clear up, and it is part of our policy—the policy of the Liberal party in Ontario—to see that this matter is cleared up, and to justify the position we hold in Canada of adopting a policy in the interest not only of the Province and of the Dominion, but of the Empire. (Applause.)

The *Toronto World* is entitled to credit for bringing pressure to bear upon the Dominion and Provincial Governments to give some attention to this most important matter. The president of the International Nickel Company had taken the position that it was impossible to conduct the refining operations of the Company in Canada.

They Were Forewarned.

The protest of the *Toronto World* only brought forth from President Monell of the International Nickel Company what was intended as an assuring antidote to the agitation for the refining of nickel in Ontario. On Christmas Day, 1914, the *World* said:

"If anyone ought to be in jail it is that one who helps the wrongdoer to put something over the nation in its hour of supreme trial. And this is the hour of supreme trial for the British Empire, when her navy is menaced and her soldiers and sailors menaced by shot and shells and bullets armored with her nickel that got to Germany by slack conduct where there should have been vigilance, and where that one corrective of things of that kind, publicity, was sidetracked."

Sir William Hearst's reply to that was that it was not the business of the Province. Hon. Howard Ferguson took the same position as Sir William Hearst that the matter fell entirely under the authority of the Federal Government, although his attitude was wholly different when he was dealing with the business of another company than the International Nickel Company.

British-American Nickel Co.

I cannot take time to go fully into the return brought down last session of correspondence between Hon. Howard Ferguson and W. A. Carlyle, vice-president of the British-American Nickel

Company, which proposed to locate its refinery at Hull, against the protests and threats of Mr. Ferguson that he would retaliate with drastic measures. I will only say that in his letter to Mr. Carlyle of April 12, 1918, he uses this language:—

"I may not by departmental action be able to restrain you; but I feel confident that the outcry will be so strong that at the next session of the legislature you will find a very strong expression of dissatisfaction that will have become crystallized into action."

And in a further letter of April 18 he says:—

"It is true that the properties owned by your Company were secured many years ago, and that you own them free from conditions and restrictions of any kind; but if, in the general public interest; such a bargain has been found to be improvident, I am not at all sure that future generations should be at serious loss for all time on account of the short-sightedness or improvidence of bygone days."

No such attitude was thought of in regard to the International Nickel Company. It was only at long last, when the popular pressure could no longer be controlled that the plant at Port Colborne was begun. We have heard little as to that plant of late; but have been told \$5,000,000 was spent upon it.

What is the significance of the long record of special treatment of the International Nickel Company against the request of the British Government and the protests of the Canadian people? Its significance is the influence of the hardware merchant, Frank Cochrane, whose business it was to supply the mines of New Ontario, and who became Minister of Lands, Forests and Mines of Ontario. He had a good knowledge of the north country, and knew its requirements. And from the day he became Minister of Mines, the International Nickel Company, through the Canadian Copper Company, had a friend in the Government whose influence was supreme.

The Cochrane-Copper-Conservative-Combination

We find on the board of directors of the Cochrane Hardware Company, A. P. Turner, president of the Canadian Copper Company, and we find also a gentleman named Hillary, a bank manager in Sudbury, associated with Mr. Turner in the stock, not only of the Cochrane Hardware Company, but also of the Conservative organ in Toronto, then known as the *News*. Mr. Hillary of the Cochrane Company was also a trustee holder of a large number of shares in the *News*. For whom was he

trustee? For whom did he hold the shares in trust? For Nickel or for Cochrane? For the inferential trustee, the Ontario Government, or for both? They have had three years to answer my questions in South-West Toronto. Has the Midas touch of the Nickel Trust made them dumb? And we have also the closest alliance between this Minister of Mines and Sir William Hearst, so close a connection, indeed, that it demands an explanation to the people of Ontario, an explanation that has often been demanded and never given to this day. (Applause.)

Ontario's Loss in Taxes

It has been our demand from the beginning that Canadian nickel should be refined in Canada, and that the nickel in the United States should have been returned here for disposal. (Applause.) This is the demand I made in the South-West Toronto election, and when I went into the legislature I found that Frank Cochrane had himself, without apparently consulting anyone about it, without any legislative or departmental authority, signed an agreement with the Canadian Copper Company for five years that it should pay a tax of \$40,000 a year. That was all that International Nickel was to be taxed in Ontario. Hon. Mr. Hearst accepted the assurances of Hon. Wallace Nesbitt. The present Premier entered into another illegal agreement for the flat annual rate of \$40,000, and accepted the improper and inadequate payments. The Royal Nickel Commission vindicated the position we took in the South-West Toronto election, and in the House, and instead of paying \$80,000 for two years, the Province received \$1,360,000. We have always contended that it is possible to export our nickel ore under bond and to return the refined product for disposal or distribution under Government supervision. (Applause.)

And the United States Government, during the war, collected in one year a war tax of \$3,500,000 from this Nickel Company out of the profits that had been made, because our nickel had been refined in the United States instead of in Canada. Had the International Nickel Company paid its whole war tax in Canada instead of in the United States, it would have more than met the Provincial assessment of one mill that was levied for four years in Ontario.

HON. HOWARD FERGUSON'S WORD

After Hon. Mr. Meighen had attempted a reply to the charges that I had made in S. Toronto and in a considered speech at Belleville, Hon. Howard Ferguson, the Minister of Lands, Forests and Mines, became bold enough to discuss the question. On December 8th, 1916, the *News* contained what was evidently

a prepared copy of a speech delivered by the Minister at Mimico the night before. In repudiating the suggestion that there was a close connection between the Canada Copper Co. and the Government Mr. Ferguson said: **"Since the present Government came into power in 1905, when Sir James Whitney was elected to the premiership, there had not been one acre of nickel-bearing land conveyed to any corporation whatever."** Other newspaper reports of what the Minister said show that no mistake was made in reporting him. Indeed, he made this abundantly clear when he spoke at Alliston to the electors of West Simcoe on the 4th January, 1917. I quote from the *Toronto World* report: "It was the Liberals who gave away every acre of nickel lands that had been given away. **This Government never gave away a single acre of nickel land and we never will.**"

WHAT THE RECORD HOWED

The statement was bold enough to have deceived the public, as the Minister intended that it should, but we searched the records. I was able from a very brief search of current records to show the House on the 21st February, 1917, that **on the 13th day of December, 1916, less than one week after the Minister's declaration at Mimico, six patents had issued to the Canada Copper Co. for Nickel lands in the Township of Blezard in the district of Sudbury for 236¼ acres of lands at the price of \$3.00 per acre—lands in the very heart of the nickel belt and within two or three miles of the mines of the Canada Copper Co.** And these patents were signed by W. J. Hanna, Provincial Secretary, and Albert Grigg, Deputy Minister of Lands and Forests. In spite of this, the Minister dared to say at Alliston on the 4th January that since the Government came into power not a single acre of land had been given away. What was the Minister's reply? He said that the claims in question were staked in the ordinary way under the mining laws by a private prospector in January, 1916, whose rights were assigned to the Canada Copper Co., and so the patents were issued directly to the Canada Copper Co. and not to the prospector who was entitled to them. "His explanation," said the *Mail & Empire* "was greeted with applause from the Conservative benches." But the Minister reckoned without his host, for I showed that the private prospector who had staked three of these lots in the heart of the nickel belt was C. H. Hitchcock, Mining Geologist of the Canada Copper Co. and an employee of that company for some years, and that the remaining three were staked and recorded by J. C. Nichols, also an employee of the Canada Copper Co., and said: "In face of that record will the Hon.

the Minister of Lands, Forests and Mines still stand by his statement at Mimico on December 8th, 1916, and his statement at Alliston on January 4th, 1917, that not one acre of nickel-bearing lands has been granted by this Government?" Nay, more; we showed that in 1915 no less than 355½ acres had been granted to the Canada Copper Co. in this nickel belt, making a total of 592¾ acres at \$3.00 per acre.

In addition to this it appeared that on September 30th, 1913, by a crown sale, 2,169 acres had gone to the Canada Copper Co.; on January 15th, 1914, 362 acres; in January, 1917, 154 acres—a total of 2,685 acres granted by Crown grant, reserving the minerals at 50c. an acre. Some of these lands practically adjoined Little Stovie and the Cameron Mines and some were within a mile of the great Creighton mine, while others adjoined the Sultana Mine.

There were still other grants. A certain John E. Hodge, of Minneapolis, who appears to have acted for another mining corporation, had obtained between August 29th, 1916, and February 14th, 1917, over 1,583 acres of nickel land at \$3.00 an acre. That meant that 1,583 acres of the most valuable and vital assets of the Province were sold for the paltry sum of a little more than \$4,750.00. "Who," I then asked, "were these favorites of fortune who were being allowed to exploit the nickel belt?"

WHY DID NOT SIR WILLIAM HEARST ACT

The Minister of Mines was not the only one who had deceived the public. The Premier was equally responsible for his ignorance of matters regarding which he should have been informed. Why were the nickel properties of the province being sold at \$3.00 an acre and granted to foreigners while the people of Ontario were being so heavily taxed?

These revelations were startling indeed, and showed that absolutely no dependence whatever could be placed upon the deliberate statement of a Minister of the Crown with reference to matters that were absolutely within his knowledge and control, and regarding which he could not have even the poor excuse of ignorance.

And bear in mind that these patents were being issued in war time, without restrictions as to refining or manufacture or treatment in Canada, to corporations that were known to be under foreign control and after the fullest warning of the necessity of protecting Ontario and Canadian interests.

What reliance can be placed upon the word or honor of this Minister of the Crown with reference to any matter in his department if he would so deliberately misstate these facts? Why did

not the Premier of this Province call for his immediate resignation? Was the Minister too powerful for the Premier, or did the Premier think this to be a trivial matter? I care not which horn of the dilemma he takes—the people of this province will hold the Premier equally culpable with his Minister, not only for the failure to protect the interests of the people, but for the retention in office of a Minister who had forfeited any claim to public confidence.

Later in the session a question was asked, so as to see the full extent of the traffic in nickel lands by the Conservative Government since it came into power in 1905, the period covered by Mr. Ferguson's wholesale denial. In reply to the question asking for full information as to how many patents of land had been issued under the Mines Act in the District of Sudbury to corporations since February 8th, 1905 (when the Conservative Government came into power), in addition to the six patents of land issued to the Canada Copper Co. on the 13th December, 1916, a return was ordered. The question was asked in March of 1917. The return was not made until the opening of the following session on the 6th February, 1918. The record is too long to repeat, but it appeared that 78 patents of land had been granted to corporations between the dates named, 10 of which were to the Canada Copper Co. Other later returns in 1918 showed similarly large grants to corporations, including the Canada Copper Co.

Again I ask the question, what can you think of the word of a Minister who dares to insult the intelligence of the people of Ontario by such misstatements of the records of his own Department regarding the most vital asset of the Province, when the truth was within his knowledge?

MISSTATEMENTS OF THE ISSUE

There has been a studious attempt to misstate the real issue and to suggest that I was insisting that the whole refining of nickel in the United States should cease during the war. The suggestion is ridiculous. What has been urged is that the nickel should have been refined from the beginning in Canada and that the Canada Copper Co. should not have been allowed to evade the plain terms of its charter, by the substitution of the International Nickel Co. to do the work of refining in the United States, which the Canada Copper Co. owning the mines was bound to do in Canada. The whole development of the business of the company is involved in this deceit. What we did insist upon was that refineries could and should be erected in Canada. What the protected nickel magnates contended was that the nickel could not be refined in Canada. The Government and the magnates

have been proved to be wrong, and it has been proved that we were right. What we did contend was that even during the war, with the United States as a neutral nation, with the knowledge that our nickel could not be controlled by Canada and was reaching our enemies, the Government should have seen to it that refineries were erected in Canada and the business controlled here. They were warned in 1914 and in 1915. The issue was one of national and imperial importance in 1916, and yet, down to the conclusion of the armistice, no nickel was refined in Canada. Indeed, we were unable to get any information in reference to the Port Colborne plant during the session of 1918, although apparently \$5,000,000 have been expended upon it.

THE ATTORNEY-GENERAL MUST EXPLAIN

We are entitled to-day to some explanation of the statement of the Hon. I. B. Lucas in the Legislature on the 1st March, 1917, when he said "Immediately after the declaration of war—and this will come out at the proper time—the International Nickel Co. through their President, offered to turn over to the Dominion Government the sole control of the nickel output of their concern. That was one week after the outbreak of the war." The closeness of the relationship between the Governments at Ottawa and Toronto is emphasized by Mr. Lucas' statement. Why did Sir Robert Borden decline the offer? Why did not the Ontario Government seize the opportunity of insisting upon Canadian control of our Ontario nickel?

We know how munition plants of a most extensive character were constructed in record time in Great Britain, in the United States and in Canada. We know how factories were remodelled and adapted to turn out every class of munition in record time during the war; but no effort was made, not one ounce of energy expended, to see that nickel was refined in Canada. **It could have been done; it should have been done.** Is there any reason why it was not done, except the closeness of the Government and the Hon. Frank Cochrane to those who controlled the nickel interests and dominated the policy of the Government?

THE LIBERAL PARTY STILL INSISTS

That our Ontario Nickel must be refined in Canada.

That Canadian workmen and Canadian factories and Canadian power must be employed in refining Canadian material.

That taxes which should be paid in Canada for the

benefit of the Canadian people and the Canadian soldier should not be diverted to the United States.

That the law in reference to taxation, as it exists in Ontario, must be enforced and the Canadian Copper Co., the Mond Nickel Co., and all other corporations must contribute fully and fairly the taxes that the provincial law requires them to pay.

That all patents for nickel-bearing lands shall be subject to the express condition that the ore mined shall be refined in Canada.

What Hughes did in Australia an energetic Government can do in Canada. It is not too late to do what is right. When Premier Hughes of Australia found, as he put it "that the German taint ran like a cancer through the fair body of British trade and commerce," he uttered this pregnant truth:

"To bewail the past is futile but not to learn wisdom from the past is criminal."

CONDEMNED BY PUBLIC OPINION

The following article which appeared in the *Toronto Globe* on March 8th, 1917, is reproduced because the criticism it contains has lost none of its force to-day. The man whom the *Globe* condemned in March of 1917 is the man who still presides over the same department in Premier Hearst's Government in September, 1919.

Toronto Globe, Thursday, March 8th, 1917

TRUTH: HONOR: THE PRIME MINISTER

If a Premier is known by the Ministers he keeps, what must be the judgment of the people of Ontario on Sir William Hearst if he keeps in his Cabinet a man who is accused of wilfully, deliberately, and repeatedly misrepresenting essential facts in order to deceive the Public and to mislead the Legislature itself, and who rests under that accusation?

The Minister involved in the very direct and very serious accusations made on the floor of the House is the Hon. G. Howard Ferguson, Minister of Lands, Forests and Mines in the Government of Ontario. The gravamen of those accusations has been increased, and their seriousness has been made doubly serious, by the shifty evasions, the concealments, and the exposed misstatements of the Minister himself.

The essential facts are simple enough and are easily understood. At a public meeting in Mimico on December 7th, Mr.

Ferguson, as reported in one of the Government's most faithful journals, made this loud boast: "Since the present Government came into power in 1905, when Sir James Whitney was elected to the Premiership, there has not been one acre of Nickel-bearing land conveyed to any Corporation whatever." And then again at Alliston, on January 4th, in the West Simcoe By-Election Campaign, he asserted that "these Companies got every acre of Nickel land they own from the Liberals, and since this Government came into power they had not got a foot of land." Those statements are absolute, without equivocation, and were plainly intended to express the truth to the public. But those statements, when challenged on the floor of the House by Mr. Hartley Dewart, are characterized as being utterly misleading. Mr. Dewart on February 21 charged that 237 $\frac{1}{4}$ acres in the very heart of the Nickel Belt had been given by Mr. Ferguson's Department to the Canadian Copper Company for three dollars per acre. The Minister's defence was that the claims were staked by a "private speculator," who "assigned the right to the Canadian Copper Company and requested that the Patents be issued directly," and that was done. Challenging this defence on March 1, Mr. Dewart charged that three lots in the heart of the Nickel Belt were granted to the Mining Geologist of the Canadian Company and three lots to an employee of that Company, in all 355 $\frac{1}{2}$ acres, at three dollars per acre.

But the matter cannot rest there. And the immediate question is not as to the 592 $\frac{3}{4}$ acres of Nickel lands involved in these deals, or as to their value, though that value is said to be great. More important than Nickel lands is the reputation for straightforwardness, for common honesty of speech, and for truthfulness of motive, on the part of the Minister of the Crown. If the accusations, the direct and unequivocal accusations made by Mr. Dewart are justified, if the Minister did misrepresent the facts, and if he did not intend to deceive, both the Public and the Members of the Legislature—why, then, the question is not the worth of the Nickel, but the worth of the Minister.

And the question goes back of the moral integrity of the Minister. The Premier himself is involved. The Minister is there in the Cabinet at the will of the Premier. If the Minister is guilty of such gross and flagrant deception as is involved in the responsible assertions of another Member of the House, then surely, with his reputation for trustworthiness gone, his usefulness as a Minister is gone, and his presence in the Cabinet compromises beyond explanation or excuse the honor of the Premier.

Quite plainly the matter cannot rest where it now is. It has gone too far or not far enough. Too much has been said, or far too little. If Mr. Dewart's allegations are warranted, then Hon. G. Howard Ferguson, as Minister of the Crown, is a gambler

with words, and his most solemn declarations on any subject the public cannot believe without corroborative evidence.

Sir William Hearst's own public reputation is at stake. He cannot afford even to have descended to the low level of political chicanery established for his Government in his absence by Mr. Ferguson and Mr. Lucas during the South-West Toronto By-Election campaign last summer. If he does that thing he is worse than defeated already. He is disgraced. The people of this Province are no longer in the mood for the tactics of Robert Rogers at Ottawa. They will not stand for Howard Ferguson's less skilful craft at Toronto. The Premier must make his choice, and stand for truth and honor. Not otherwise can he stand at all.

MR. DEWART'S PATRIOTIC STAND

Not only in the treatment of the great nickel issue but also in the debates in the Legislature, Mr. Dewart's strong patriotic utterances attracted general attention. On the 8th March, 1917, speaking to the resolution whereby the members solemnly pledged themselves anew "to assist in every way in our power in the struggle for freedom alike by increasing our fighting strength and military resources, by conserving our energies as a people and by exercising industry, thrift and economy," Mr. Dewart paid a tribute to the splendid services of the Canadians in Flanders and in France. He said in part:—

"When one considers the splendid and spontaneous response of Great Britain he was glad of the glorious response of Canada. Our field of duty was laid upon the western front. The fields of Flanders and of France where our splendid boys are fighting to-day have been made fertile for centuries by the blood of freemen who fought that we might have the freedom and liberty that we enjoy in Canada to-day, and that we might inherit and maintain principles of honor and duty and sacrifice, that their great examples and sacrifices have not allowed to die."

"This was the greatest war of honor in the history of the world." He favored the immediate introduction of the Militia Act and said: "Let the voice of this Legislature be heard in the halls of the Dominion Parliament and let us say emphatically that it is time the Militia Act was enforced so that a Home Defence Force may be raised at once and the Volunteers for Overseas Service permitted to leave for the fighting line. Let us also take steps to conserve and properly develop our resources, so that when the

boys come home we shall be able to give a good account of our stewardship."

The following was the comment of the *Toronto Globe* of March 9th, 1917:—

"Mr. Dewart is a distinguished acquisition to the debating strength of the Legislature. His tribute to men who have sustained the best traditions of Canada at the Front expressed the deep feeling of all in the Chamber and revealed a careful and appreciative study of every important achievement."

Extract from British Parliamentary Debates:

MR. HEWINS, M.P., FOR HEREFORD, speaking on the 10th January, 1916, on the prosecution of the War and Co-operation of the Allies said:—

"Let me take one important question. I mean the control of our raw material, especially of the shipment of ore produced in the British Empire. I do not wish to go into any lengthy details about this important scheme, but whether you take the Zinc Concentrates in Australia, Nickel in Canada or the whole series of Metals, I am really giving away no secret when I say they are virtually controlled by German Syndicates, and have been for years." (Hansard, 1916, House of Commons, Page 1305.)

RIGHT HON. MR. RUNCIMAN, President of the Board of Trade, speaking on the same day said:—

"The control of metals passed to Frankfurt years ago. It was Frankfurt that really dictated the production of Metals in many parts of the world. Even in our own Dominions the influence of Frankfurt in Australia was so great that the Australian Government went to the extreme length of cancelling by legislation every contract on the outbreak of the War in which the great Metal Organization was concerned." (Hansard, 1916, House of Commons, Page 1362.)

Extract from Canadian House of Commons Debates, 22nd February, 1916:

COLONEL JOHN A. CURRIE, West Simcoe, said:

"We have it on the authority of a statement in the British House of Commons made last month by one of responsibility that the Nickel Industry in Canada is controlled by the Krupp Interests through Trustees in the United States. Why, the German guns that fired shells at my soldiers and

myself day after day in Flanders were made out of Canadian Nickel and Chrome Steel. The rifles that fired at us had barrels that were made out of Canadian Nickel Steel. Every one of them was stamped "Nickel Steel," but they should have borne the motto—"Made in Canada."

CANNOT SUPPORT HEARST

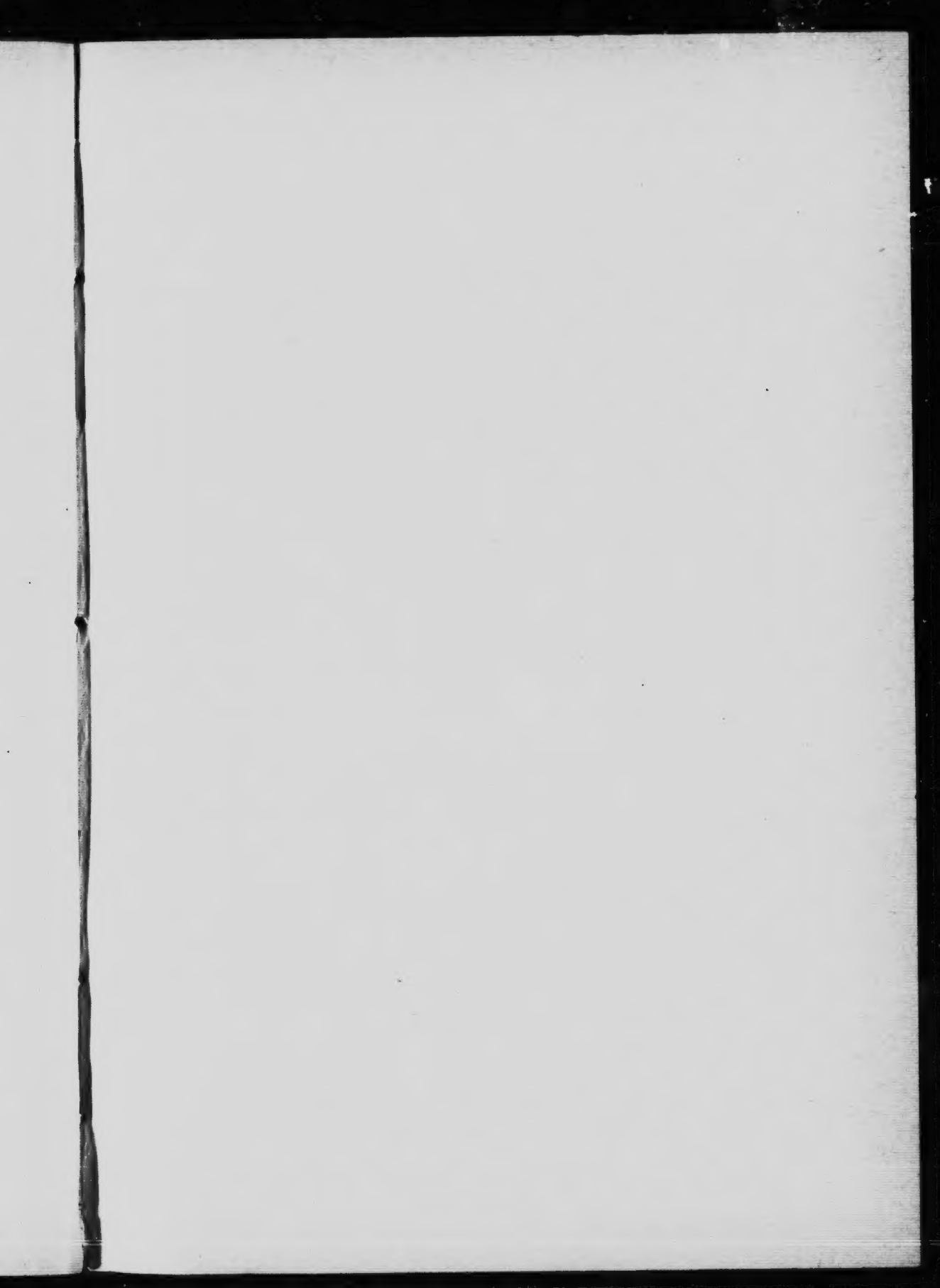
Extract from the address of Lieut.-Col. Pratt, M.P.P., for South Simcoe at the Conservative Convention on Saturday, September 20th, 1919, in the present Election Campaign:—

"The time has come," declared Col. Pratt, "when I am not able conscientiously to support everything that the Hearst Government has done while we have been overseas. My attention was first brought to the fact when I was driven out of my billet on five or six occasions and discovered nickel-steel shot. I protested over the nickel business before I went overseas, but I do not know that there was any great virtue in my protest. I had done all I could to urge the Government, if necessary, to take over the nickel mines and control them. I want to tell you, and what I know, that every machine gun bullet fired at us was nickel-steel. At Dunkirk two years ago to-night we were bombed and shelled properly, and every time I was bombed out I gathered up nickel and steel."

Somebody Made Mistakes

"I realized that someone at home was making mistakes," the Colonel went on. "We knew the nickel was coming from Canada because Canada produces 95 per cent. of all the nickel, and we were forced to the conclusion that it had been given over to German and Austrian interests. I said solemnly to myself in France that I should protest against it when I came home, because it was not right that our Ontario nickel should go to kill Ontario boys, for that was done. I do not want to harrow your feelings, but someone is at fault. I blame those who had the nickel mines absolutely under their control. The nickel people, beyond a shadow of doubt, are willing to pay any kind of a contribution, and if you see any of the Members of the Government moving down-town distributing campaign funds you will know where some of the money comes from. As far as I am concerned the nickel people can never induce me to support them in any part of the campaign."

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